30-039-24485

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

RECEIVED
JUL 06 1989
OIL CON. DIV.
DIST. 3

1a. TYPE OF WORK
DRILL

1b. TYPE OF WELL
GAS

5. LEASE NUMBER
SF-079487A

6. IF INDIAN,ALL. OR TRIBE NAME

2. OPERATOR
~~EL PASO NATURAL GAS CO.~~
070I 14538

7. UNIT AGREEMENT NAME
SAN JUAN 30-4 UNIT

3. ADDRESS & PHONE NO. OF OPERATOR
P O BOX 4990
FARMINGTON, NM 87499

8. FARM OR LEASE NAME
7467 SAN JUAN 30-4 UNIT

9. WELL NO.
101

4. LOCATION OF WELL
790'N 1495'E

10. FIELD,POOL,OR WILDCAT
71629 BASIN FRUITLAND COAL

11. SEC. T. R. M OR BLK.
B SEC. 20 T30N R04W NMPM

14. DISTANCE IN MILES FROM NEAREST TOWN
19 MILES FROM GOBERNADOR

12. COUNTY
RIO ARRIBA

13. STATE
NM

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE.
790'

16. ACRES IN LEASE
1819.52

17. ACRES ASSIGNED TO WELL
E/320.00

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL DR. COMPL., OR APPLIED FOR ON THIS LEASE.
4000'

19. PROPOSED DEPTH
4260'

20. ROTARY OR CABLE TOOLS
ROTARY

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.

21. ELEVATIONS (DF, FT, GR, ETC.)
7555'GL

22. APPROX. DATE WORK WILL START

23. PROPOSED CASING AND CEMENTING PROGRAM

*SEE OPERATIONS PLAN

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".

24. AUTHORIZED BY: Peggy Bradfield
REGULATORY AFFAIRS

5-5-89
DATE

PERMIT NO. _____ APPROVAL DATE _____

APPROVED AS AMENDED

APPROVED BY _____ TITLE _____ DATE JUN 30 1989

for John Keller
AREA MANAGER

NOTE: THIS FORMAT IS ISSUED IN LIEU OF US BLM FORM 3160-3

NMOCD

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-

All distances must be from the outer boundaries of the Section.

| Operator | Lease | Well No. |
|---|---|---|
| ~~El Paso Natural Gas~~ MOI | San Juan 30-4 Unit (SF-079487A) | 101 |

| Unit Letter | Section | Township | Range | County |
|---|---|---|---|---|
| B | 20 | 30 North | 4 West | Rio Arriba |

Actual Footage Location of Well:
790 feet from the North line and 1495 feet from the East line

| Ground Level Elev. | Producing Formation | Pool | Dedicated Acreage: |
|---|---|---|---|
| 7555' | Fruitland Coal | Basin | 320.00 Ac |

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

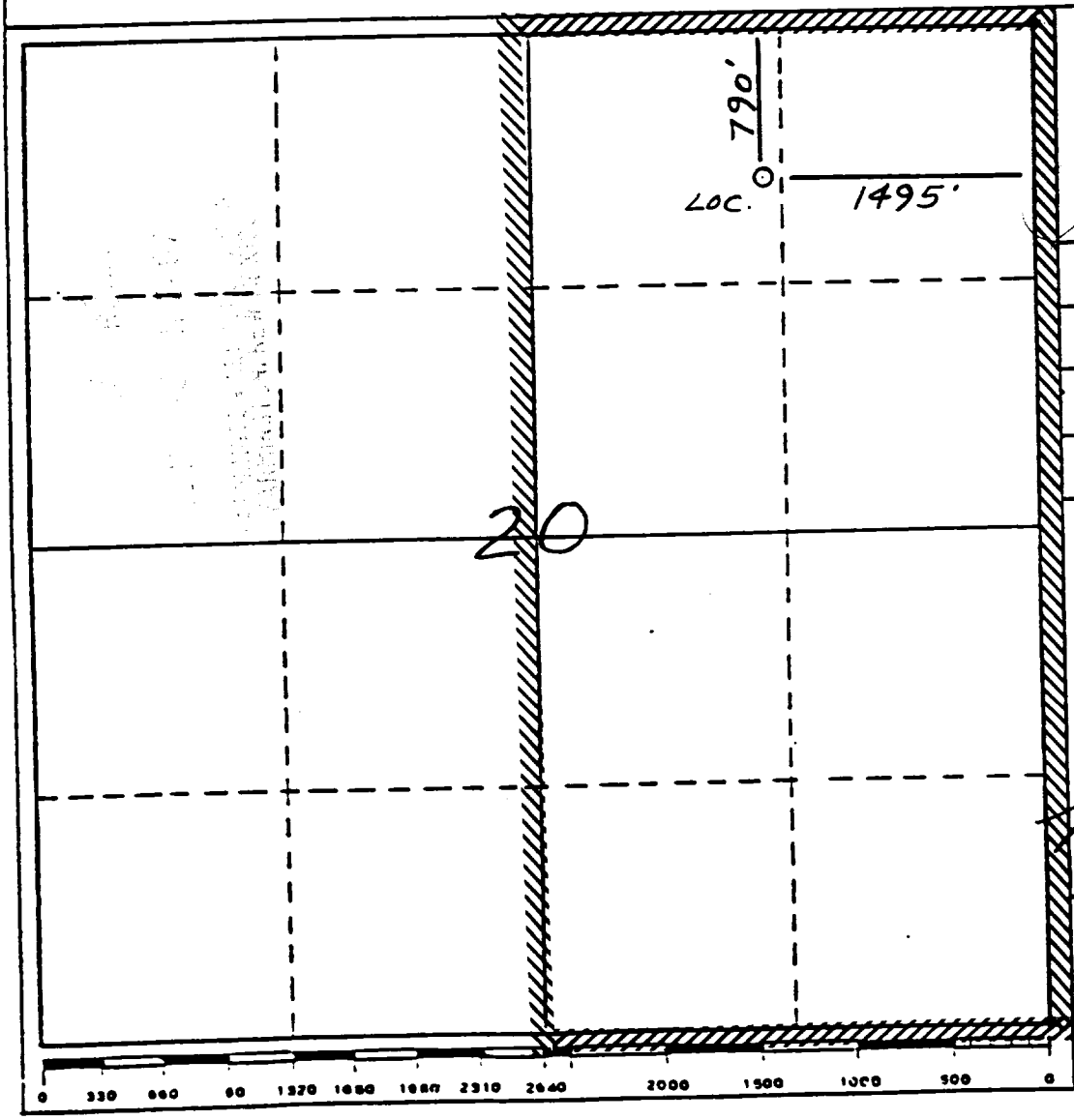
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to worki interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been conso dated by communitization, unitization, force-pooling. etc?

☒ Yes ☐ No If answer is "yes," type of consolidation unitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitizatic forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Divis.




CERTIFICATION

I hereby certify that the information c tained herein is true and complete to best of my knowledge and belief.

Name: Regulatory Affairs

Position: El Paso Natural Gas

Company: 5-4-89

Date:

I hereby certify that the well locat shown on this plat was plotted from fi notes of actual surveys made by me under my supervision, and that the sa is true and correct to the best of knowledge and belief.

NEALE C. EDWARDS
NEW MEXICO
6857
REGISTERED LAND SURVEYOR

Date Surveyed: 1-3-88

Registered Professional Engineer and/or Land Surveyor: Neale C. Edwards

Certificate No. 6857

 OPERATIONS PLAN DATE: MAY 3,1989

Well Name: 101 SAN JUAN 30-4 UNIT 790'N 1495'E
Sec. 20 T30N R04W RIO ARRIBA NEW MEXICO
BASIN FRUITLAND COAL Elevation 7555'GL

Formation tops: Surface- SAN JOSE
Ojo Alamo- 3655
Kirtland- 3890
Fruitland- 4175
Fruitland Coal Top- 4230
Fruitland Coal Base- 4245
Intermediate TD- 4205
Total Depth- 4260
Pictured Cliffs- 4305

Logging Program: Mud logs from intermediate to total depth.

| Mud Program: | Interval | Type | Weight | Visc. | Fl. Loss |
|---|---|---|---|---|---|
| | 0 - 200 | Spud | 8.4 - 8.9 | 40-50 | no control |
| | 200 - 4205 | Non-dispersed | 8.4 - 9.1 | 30-60 | no control |
| | 4205 - 4260 | Formation Water | 8.4 | | no control |

| Casing Program: | Hole Size | Depth Interval | Csg. Size | Weight | Grade |
|---|---|---|---|---|---|
| | 12 1/4" | 0 - 200 | 9 5/8" | 32.3# | H-40 |
| | 8 3/4" | 0 - 4205 | 7" | 20.0# | K-55 |
| | 6 1/4" | 4155 - 4260 | 5 1/2" | 15.5# | K-55 |
| Tubing Program: | | 0 - 4260 | 2 7/8" | 6.5# | J-55 |

Float Equipment: 9 5/8" surface casing - saw tooth guide shoe.

7" intermediate casing - guide shoe and self-fill insert float valve. Three centralizers run every other joint above shoe. Run insert float one joint above the guide shoe.

5 1/2" production casing - float shoe on bottom and a pre-drilled liner run to the 7" casing with a minimum 50' overlap. Liner hanger is a double slip grip type.

Wellhead Equipment: 9 5/8" x 7" x 2 7/8" x 11" 3000 psi xmas tree assembly.

Cementing:
9 5/8" surface casing - cement with 106 sacks of class "B" cement with 1/4# flocele/sack and 3% calcium chloride (125 cu ft. of slurry, 100% excess to circulate to surface). WOC 12 hours. Test casing to 600 psi for 30 minutes.

7" intermediate casing - lead with 25 sacks of 65/35 class "B" poz with 6% gel, 2% calcium chloride and 1/2 cu.ft. Perlite/sack (10.3 gallons of water/sack) tail with 100 sacks of class "B" with 2% calcium chloride. 165 lu ft. of slurry, 100% excess to cover the Ojo Alamo. Run temperature survey at 8 hours. WOC 12 hours. Test casing to 1500 psi for 30 minutes.

5 1/2" liner - do not cement.

BOP and Tests:

Surface to intermediate TD - 11" 3000 psi double gate BOP stack (Reference Figure #1). Prior to drilling out surface casing, test rams to 600 psi for 30 minutes.

Intermediate TD to TD - 7 1/16" 3000 psi double gate BOP stack (Reference Figure #2). Prior to drilling out intermediate casing, test rams to 2500 psi for 30 minutes.

Pipe rams will be actuated at least once each day and blind rams actuated once each trip to test proper functioning.

Addition Information:

The Fruitland coal formation will be completed.
This gas is dedicated.
The E/2 of Section 20 is dedicated to this well.